From: <u>Jeanne Briskin</u>
To: <u>Stephen Hess</u>

Cc: <u>Michael Overbay</u>; <u>Doug Beak</u>; <u>Susan Mravik</u>; <u>David Jewett</u>

Subject: Fw: Follow up (Chesapeake)

Date: 07/02/2012 12:02 PM

Attachments: Chronology of events 6 26 12.docx

Hi Steve,





I've attached the string of emails on the issue of sharing info from the contract. -- below the incoming from Chesapeake/Hagemeier.

Jeanne Briskin
Office of Science Policy
Office of Research and Development
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, N.W. (8104R)
Washington, D.C. 20460
(202) 564-4583 - office
(202) 565-2911 - fax
briskin.jeanne@epa.gov

Address for Deliveries: US EPA Ronald Reagan Building --Room 51144 Washington DC 20004

Jeanne Briskin
Office of Science Policy
Office of Research and Development
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, N.W. (8104R)
Washington, D.C. 20460
(202) 564-4583 - office
(202) 565-2911 - fax
briskin.jeanne@epa.gov

Address for Deliveries:
US EPA
Ronald Reagan Building --Room 51144
Washington DC 20004
----- Forwarded by Jeanne Briskin/DC/USEPA/US on 07/02/2012 11:54 AM -----

From: Bob Sussman/DC/USEPA/US

To: Lek Kadeli/DC/USEPA/US@EPA, Cynthia Sonich-Mullin/CI/USEPA/US@EPA, Ramona

Trovato/DC/USEPA/US@EPA, Jeanne Briskin/DC/USEPA/US@EPA

Cc: Ann Campbell/DC/USEPA/US@EPA
Date: 07/02/2012 11:52 AM
Subject: Fw: Follow up (Chesapeake)

See the note from Chesapeake below. They say that we can resolve the indemnfication issue quickly if we can get them a copy of the contractor agreement and they've been waiting 3 weeks for our response.



Robert M. Sussman Senior Policy Counsel to the Administrator Office of the Administrator US Environmental Protection Agency

---- Forwarded by Bob Sussman/DC/USEPA/US on 07/02/2012 11:47 AM -----

From: Paul Hagemeier < paul.hagemeier@chk.com>

To: Bob Sussman/DC/USEPA/US@EPA

Cc: Stephanie Timmermeyer <stephanie.timmermeyer@chk.com>, John Satterfield

<john.satterfield@chk.com>, Ann Campbell/DC/USEPA/US@EPA, Donald

Maddox/DC/USEPA/US@EPA
Date: 07/02/2012 11:35 AM

Subject: Follow up

Bob – I enjoyed our conversation last week. I am following up with a quick note as promised

- 1) Regarding the Hydraulic Fracturing Study Technical Group and engagement with the industry, please keep me informed as your thoughts on this take shape. As you know, Chesapeake will continue to stay engaged and has offered technical experts to provide input and will continue to do so.
- 2) I want to affirm again our commitment to the Hydraulic Fracturing Prospective Study. I believe the indemnification issues for water monitoring wells can be easily managed through the agreement you have in place with your vendor. It is common practice to have a vendor like this insure both who they are working for and the entity upon which they are working. This is an easy, straight forward solution to this issue. We are ready to resolve this as soon as we get the agreement language from your staff so that we can engage

the vender to address insuring their activities on our site, should a mishap occur during their activities. We have been waiting for a copy of this agreement, and permission to speak with them for 3 weeks. It would be helpful if you would check with your staff to see what the status of this is currently. I have asked my staff to verify that agreements with our partners and landowners are all in place. Once we have resolved the agreement issues with the EPA driller and our partners, I see no reason that we should not announce the prospective sites.

3) I appreciated your input on the seismicity study. It sounds like the EPA has elected to have the USGS review the report prior to sending it to the stakeholders group for review, and final submittal to the SAB. I will keep you informed of our comments regarding same.

I hope you found the ATGAS Report and Bradford County Retrospective HF Study summaries helpful. We are sending a letter out next week to request that the Administrator add these to the Hydraulic Fracturing Study reference material.

Regards -

Thank you,
Paul Hagemeier
Vice President - Regulatory Compliance
Chesapeake Energy Corporation
Office: (405) 935-4014

Fax: (405) 849-4014

E-mail: paul.hagemeier@chk.com

yv8nABsAAAAAAAAARGVjbGFyZSBlbmVyZ3kgaW5kZXBlbmRlbmNl

Mike and Susan - I have recently worked on two cases where the contractors released their insurance information. The contracts had set insurance requirements and one, which I sent to Susan, required the contractor to provide certificates of insurance. Even if we do not release specific insurance information, we should be able to represent to Chesapeake that our contractor is carrying certain amounts of coverage as required in the contract. Steve.

Stephen Hess U.S. EPA, Office of General Counsel 1200 Pennsylvania Avenue, N.W. Room 7426 C, Mail Code 2399A Washington, D.C. 20460

Phone: 202-564-5461

▼ Michael Overbay---06/27/2012 05:29:27 PM---Sorry I missed the Monday message, but that seems like a pretty definitive statement that the contra

From: Michael Overbay/R6/USEPA/US
To: Susan Mravik/ADA/USEPA/US@EPA

Cc: Doug Beak/ADA/USEPA/US@EPA, Jeanne Briskin/DC/USEPA/US@EPA, Stephen

Hess/DC/USEPA/US@EPA Date: 06/27/2012 05:29 PM

Subject: Re: Chesapeake's Master Service Agreement info request

Sorry I missed the Monday message, (b) (5)

I am leaving for the day and will be out sampling tomorrow. Could we have a conference call Friday morning to discuss how to respond to Chesapeake? (b) (5)

Michael Overbay, P.G. Regional Ground Water Center Coordinator U.S. Environmental Protection Agency - Region 6 (214)665-6482 (214)665-2191 (FAX)

▼ Susan Mravik---06/27/2012 04:07:52 PM---Please see my e-mail below from Monday. Thanks, Susan Susan C. Mravik, Soil Scientist

From: Susan Mravik/ADA/USEPA/US

To: Michael Overbay/R6/USEPA/US@EPA, Stephen Hess/DC/USEPA/US@EPA Cc: Doug Beak/ADA/USEPA/US@EPA, Jeanne Briskin/DC/USEPA/US@EPA

Date: 06/27/2012 04:07 PM

Subject: Chesapeake's Master Service Agreement info request

Please see my e-mail below from Monday. Thanks, Susan

Susan C. Mravik, Soil Scientist
Subsurface Remediation Branch
Ground Water and Ecosystems Restoration Division
National Risk Management Research Laboratory, USEPA
P.O. Box 1198 / 919 Kerr Research Dr.
Ada, OK 74820
580-436-8553 (fax 580-436-8703)
----- Forwarded by Susan Mravik/ADA/USEPA/US on 06/27/2012 04:05 PM -----

From: Susan Mravik/ADA/USEPA/US To: Michael Overbay/R6/USEPA/US@EPA

Cc: "Florentino, Gene" <GFlorentino@ene.com>, "Lukert, George" <GLukert@ene.com>

Date: 06/25/2012 03:29 PM Subject: Contract Questions

Mike,

I've been in touch with the contract officer for the E&E contract. Here's what I have learned:

- 1. Contract Information (warranties, insurance, bonding, certificates of insurance) are CBI and EPA will not release to a third party. It would require a FOIA for EPA to release E&E's info. E&E could be willing to release the info on their own. If they won't and EPA receives a FOIA, EPA still needs to get permission from E&E to release the information, (b) (5)
- 2. Insurance Coverage Amount. **EPA will not pay direct charges for insurance if the current contract doesn't have enough coverage**. Requiring E&E to add more insurance after contract award doesn't allow them to figure that additional charge into their rates. So, we cannot require an increase in E&E's insurance coverage.
- 3. Sub-contractor Insurance. When the SOW/RFP is announced, it can state a required amount of insurance.

Hope this helps, Susan

Susan C. Mravik, Soil Scientist
Subsurface Remediation Branch
Ground Water and Ecosystems Restoration Division
National Risk Management Research Laboratory, USEPA
P.O. Box 1198 / 919 Kerr Research Dr.
Ada, OK 74820
580-436-8553 (fax 580-436-8703)

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